

Article - Transportation

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§13–506.

(a) (1) A salvage certificate shall be issued in accordance with the provisions of this section.

(2) A salvage certificate issued under this section shall:

- (i) Be issued in the name of the applicant; and
- (ii) Serve as an ownership document.

(a–1) For purposes of this section, a vehicle has not been acquired by an insurance company if an owner retains possession of the vehicle upon settlement of a claim concerning the vehicle by the insurance company in accordance with § 13–506.1 of this subtitle.

(b) The Administration shall issue a salvage certificate:

(1) To an insurance company or its authorized agent that:

- (i) Is licensed to insure automobiles in this State;
- (ii) Acquires a vehicle as the result of a claim settlement; and
- (iii) Within 10 days after the date of settlement, applies for a salvage certificate as provided in subsection (c) of this section;

(2) To an automotive dismantler and recycler that:

(i) Acquires a salvage vehicle from a source other than an insurance company licensed to insure automobiles in this State;

(ii) Acquires a salvage vehicle by a means other than a transfer of a salvage certificate; and

(iii) Applies for a salvage certificate as provided in subsection (d) of this section; or

(3) To any other person who:

(i) Acquires or retains ownership of a vehicle that is salvage, as defined in § 11–152 of this article;

(ii) Applies for a salvage certificate on a form provided by the Administration; and

(iii) Pays a fee established by the Administration.

(c) (1) For each vehicle that is acquired as a result of a claim settlement arising from an accident that occurred in the State, an insurance company or its authorized agent shall apply:

(i) For a salvage certificate on a form provided by the Administration for a vehicle titled in the State; or

(ii) Electronically for a salvage certificate for a vehicle titled in a foreign jurisdiction.

(2) The application under paragraph (1) of this subsection shall be accompanied by:

(i) The certificate of title of the vehicle or, if the certificate of title is defective, lost, or destroyed, an affidavit of ownership on a form and in a manner prescribed by the Administration and a copy of the settlement check or other evidence of final payment;

(ii) A statement by the insurance company that:

1. The cost to repair the vehicle for highway operation is greater than 75% of the fair market value of the vehicle prior to sustaining the damage for which the claim was paid and the vehicle is repairable;

2. The vehicle is not rebuildable, will be used for parts only, and is not to be retitled;

3. The vehicle has been stolen;

4. The vehicle has sustained flood damage; or

5. The vehicle has been acquired by an insurance company as a result of a claim settlement and the cost to repair the vehicle is 75% or less of the fair market value of the vehicle prior to sustaining the damage for which the claim was paid; and

(iii) A fee established by the Administration.

(3) Subject to the provisions of § 13–507(c)(2) of this subtitle, a salvage certificate issued under this paragraph shall contain a conspicuous notation by the Administration that describes which of the statements under paragraph (2)(ii) of this subsection applies to the vehicle.

(4) To determine the cost to repair a vehicle for highway operation for purposes of § 11–152 of this article and paragraph (2)(ii) of this subsection, a person may not use the cost of:

(i) Towing, storage, or vehicle rental; or

(ii) Repairing cosmetic damage.

(5) The calculation under the 75% cost of repair threshold under paragraph (2) of this subsection may not affect the right of an insurer or a vehicle owner to make an economic or safety related decision to not repair the vehicle.

(6) The Administration, in consultation with the Department of State Police and other interested parties, shall adopt regulations to implement this subsection.

(d) (1) An automotive dismantler and recycler may apply for a salvage certificate on a form provided by the Administration.

(2) The application under paragraph (1) of this subsection shall be accompanied by:

(i) The document through which ownership of the vehicle was acquired; and

(ii) A fee established by the Administration.

(e) The Administration shall maintain records to indicate that a vehicle:

(1) Was transferred as salvage; and

(2) May not be titled or registered for operation in this State except in accordance with §§ 13–506.1 and 13–507 of this subtitle.

(f) The Administration shall establish a fee for:

(1) A duplicate salvage certificate; and

(2) A corrected salvage certificate.

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